

MEMORANDUM

AUGUST 9, 1984

TO: BOSTON REDEVELOPMENT AUTHORITY

FROM: STEPHEN F. COYLE, DIRECTOR

SUBJECT: CROSSTOWN INDUSTRIAL PARK, TRANSFER OF TITLE FOR PORTIONS OF PARCEL 2 TO ECONOMIC DEVELOPMENT AND INDUSTRIAL CORPORATION

On January 3, 1979, the Authority and the Commonwealth of Massachusetts entered into an Agreement concerning the Southwest Corridor Land Use Plan. Under the Plan, the Economic Development Industrial Corporation (EDIC) would develop Parcel 2 of the City's Crosstown Industrial Park. The only property in Parcel 2 not owned by EDIC at the time was transferred by the State to the Authority for use by EDIC as an industrial park.

The Economic Development Plan for the Crosstown Industrial Park, which was approved by the City Council and the Mayor in December of 1983, required that the parcel be utilized by EDIC for industrial development purposes. In accordance with the Authority's May 10, 1984 Resolution, the Authority is committed to transfer title and fee simple to EDIC promptly after receiving evidence that EDIC is ready to enter into a lease or purchase agreement with a financially capable industrial development user.

EDIC, in reliance upon that agreement, has entered into an agreement with the M. Abelman Co., a small, family-owned paint distribution company in Jamaica Plain, to construct a 15,000 square foot facility on the Albany Street and Melnea Cass Boulevard corner portion of the site, shown as sub-parcel 2B on the attached site plan. This is a small company that has shown such a significant growth over the past few years that it must move out of its present facilities in Jamaica Plain.

Attached is the fact sheet concerning the M. Abelman Company and the disposition agreement.

It is, therefore, recommended that the Authority finally designate EDIC as redeveloper of Disposition Sub-parcel 2B, containing approximately 55,000 square feet of land.

An appropriate vote follows:

VOTED: The Economic Development and Industrial Corporation of Boston (EDIC) is hereby designated final developer of Disposition Sub-parcel 2B in the Crosstown Industrial Park, 55,000 square feet of land, which is necessary to allow for the industrial parcel for M. Abelman Co.; and the Director is further authorized to execute appropriate deeds and/or agreements with EDIC, when the Director is satisfied that the development is proceeding expeditiously, that may be necessary to effectuate development of this sub-parcel, and to include any other terms and conditions in said documents as the Director deems appropriate and in the best interest of the Authority including those adopted by the Authority on May 10, 1984.

June 29, 1984

Mr. Robert J. Ryan
Director
Boston Redevelopment Authority
City Hall
Boston, Massachusetts 02201

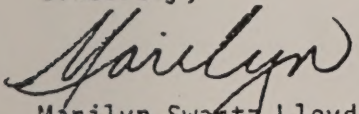
Dear Bob:

At the May 10, 1984 meeting of the Boston Redevelopment Authority Board of Directors, a resolution was adopted by the Board regarding the transfer of a tract of land of Parcel 2 of the Crosstown Industrial Park (CTIP) to EDIC. The resolution states that the BRA will transfer title to this tract of land as soon as EDIC is ready to enter a lease or purchase agreement for all or a portion of this property with a specific financially capable industrial development user. I am pleased to inform you that EDIC is prepared to sign the first tenant at CTIP Parcel 2, and thus ready to receive this tract of land.

Enclosed is a copy of the "Memorandum of Agreement" between EDIC and the M. Abelman Co. The company will lease approximately 55,000 square feet of Parcel 2 and construct a 15,000 square foot facility. I have also enclosed a brief summary of the project and site plan. As shown on the plan, the proposed site for the project includes the tract of land in Parcel 2 which is currently held by the BRA.

The company would like to enter into a lease agreement and begin construction as soon as possible in order to take advantage of this year's construction season. Therefore, a timely transfer of this tract of land is critical to the success of the project. Paul Yelder at EDIC can provide you or your staff with any more technical information you need about the M. Abelman project. I look forward to hearing from you soon regarding this issue.

Sincerely,


Marilyn Swartz Lloyd
Director

Enclosures

xc: Paul McCann

MSL:PY

Raymond L. Flynn, Mayor



MEMORANDUM OF AGREEMENT TO LEASE SPACE AT

THE CROSSTOWN INDUSTRIAL PARK

Dated as of June 20, 1984

The Economic Development and Industrial Corporation (EDIC/Boston) (the "Lessor") shall lease a portion of Parcel 2 at the CrossTown Industrial Park (CTIP), an area bounded northerly by Melnea Cass Blvd., easterly by Albany Street, southerly by Eustis Street, and westerly by Harrison Ave., located in Roxbury, Massachusetts, to M. Abelman Company, Inc. (the "Lessee") on the following terms and conditions. The signature of the Lessor and Lessee below indicate their readiness to accept those terms and conditions and enter into a formal lease agreement no later than August 20, 1984. This Memorandum of Agreement shall be in full force and effect until the earlier of: August 20, 1984 or the execution of a lease agreement between the parties hereto.

1. LAND AREA
TO BE LEASED: Parcel 2-B
Approximately 55,000 Square feet
(see attached plan)
2. TERM: Twenty (20) Years.
3. RENT: Rent shall equal the product of the square feet leased and the Fixed Rent below and shall be paid monthly in equal one-twelfth installments.

Lease Years

Fixed Rent

1-5	\$.23/SF
6-10	\$.27/SF
11-15	\$.31/SF
16-20	\$.36/SF

Upon execution of this Memorandum of Agreement the Lessee shall pay the Lessor a \$750.00 deposit which will be deducted from the first monthly rent installment and which shall be forfeited and remain the property of Lessor in the event that Lessee fails to execute a lease agreement according to the terms and conditions contained herein.

4. ADDITIONAL RENT
PAID IN-LIEU-OF
REAL ESTATE
TAXES: Lessor will make payments to the City in-lieu-of real estate taxes. In consideration of Lessor making these payments to the City, Lessee shall pay Additional Rent based on the gross floor area (GFA) of the building to be completed. During the first 5 years of the Term, Additional Rent payments for each year shall equal the product of the GFA times \$.75, paid monthly in equal one-twelfth installments.

At the start of lease Years 6, 11, and 16 Additional Rent paid in-lieu-of real estate taxes shall be adjusted to reflect the change in "Computed Tax Liability" which has taken place during the preceeding 5 years.

"Computed Tax Liability" will be an amount equal to the real estate tax which an owner of the Leased Land and Building would be required to pay to the City of Boston based on the then applicable tax rate in the City of Boston multiplied by the then current assessment of the Leased Land and Building by the assessors of the City of Boston.

Lessee shall be responsible for all other municipal charges or assessments for services or betterments.

Additional Rent paid in lieu of Real Estate Taxes will not be due until the earlier of (1) Lessee begins operation on the leased site; (2) Lessee obtains a Certificate of Occupancy; or (3) 120 days after lease execution.

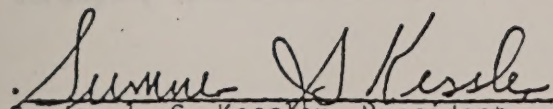
5. LESSEE'S OPTION
TO PURCHASE:

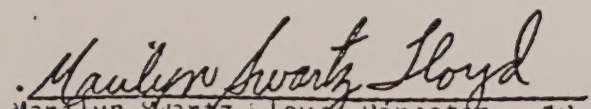
Lessee shall have the option to purchase the Leased Land at any time commencing 5 years from the beginning of the term of the Lease and not later than the effective date of termination of the Lease by paying all unpaid installments of Rent and by paying the Lessor the purchase price of ten dollars (\$10.00).

6. UTILITIES AND
CONSTRUCTION:

Lessee agrees to construct a building and site improvements (such as parking, landscaping, service areas, storage areas or fencing) and to submit all design plans to the Lessor for approval prior to the start of construction. Lessee shall be solely responsible for obtaining utility services (such as water and sewer, natural gas and electricity) and for constructing any utility connections required, subject to Lessor's approval. Lessor shall not unreasonably withhold approval of any construction plans.

7. MAINTENANCE OF UNLEASED AREAS: Lessor shall maintain the landscaping in unleased areas and shall repair or replace those sections of the perimeter fence which abut unleased areas at its own expense. Lessee shall repair or replace those sections of the perimeter fence which abut its leased property at its own expense.
8. EMPLOYMENT OF BOSTON RESIDENTS: Lessee understands the Premises are being leased to Tenant as part of an overall program to provide jobs for unemployed and underemployed persons of the City of Boston (the "City"). Lessee agrees to make every reasonable effort, in employing persons in its business, to give to the fullest practicable extent, preference to residents of the City.
- Lessee recognizes that the CTIP is a joint project of EDIC and the Community Development Corporation of Boston (CDC) and agrees to work in good faith with the CDC regarding involvement of the local community in the project.
9. ENGINEERING TESTS: Prior to execution of the lease, Lessee and its agents and contractors may enter upon the Premises for the purpose of making engineering tests, soil borings and surveys.
10. CONDITIONS PRECEDENT Execution of any lease agreement is subject to: (1) the conveyance of that portion of the leased premises which is owned by the Boston Redevelopment Authority to the Lessor, (2) approval by the Boston City Council and (3) the approval of the EDIC Board of Directors. Should said conveyance or approvals not be granted, the Lessor shall repay the Lessee's deposit of \$750.00.


Sumner J. S. Kessler, President
M. Abelman Co., Inc., Lessee


Marilyn Swartz Lloyd, Director TRH
Economic Development and Industrial
Corporation of Boston, Lessor

PROJECT SUMMARY:

M. ABELMAN COMPANY
CTIP PARCEL 2-B
55,000 SQUARE FEET

M. Abelman Co. has signed a "Memorandum of Agreement" to lease approximately 1.25 acres or 55,000 SF of CTIP Parcel 2. The company proposes to construct a 15,000 square foot facility on the Albany and Melnea Cass corner portion of the site (sub-parcel 2-B, see attached site plan). This paint supply and distribution company is a small family owned business which has experienced such significant growth over the past three years that it must move out of its present facility of only 8,000 square feet in Jamaica Plain. EDIC has been working with the company to find a suitable site since July 1983. The company expressed a strong interest in Parcel 2 in January 1984 and has since been putting together a proposal for the site.

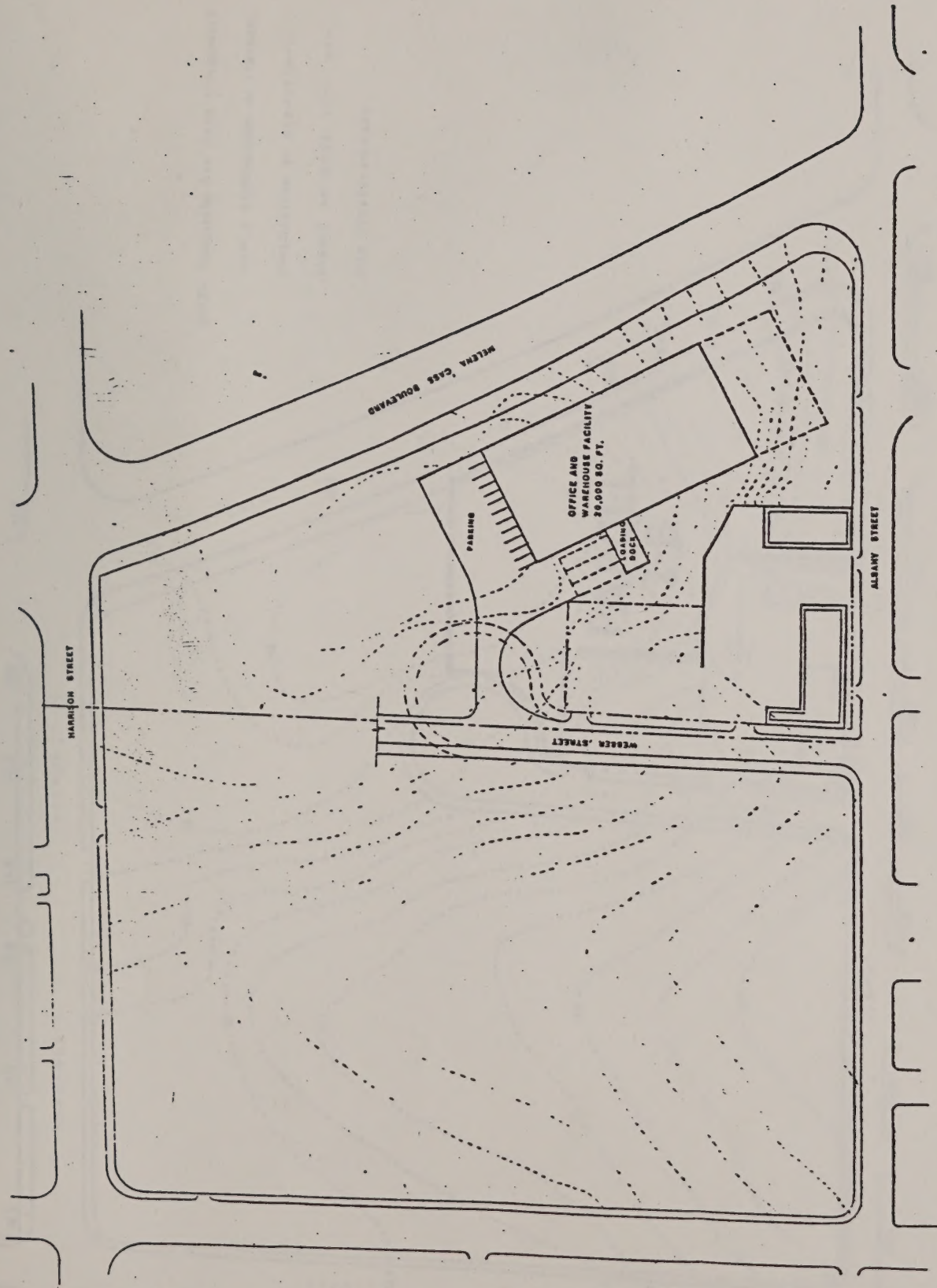
Jobs: Retain- 23
Create- 5

Ground
Lease Terms:

The Memorandum outlines basic terms for a 20 year ground lease at \$.23/sf with an escalation every 5 years based on a 3% annual increase. These escalations are based on 50% of the projected inflation rate. This ground rent has been slightly reduced to compensate for any extraordinary foundation costs attributed to the site. The company will pay additional rent in lieu of property taxes equal to \$.75/sf of Gross Floor Area of the building.

Project Financing: The Bank of New England has indicated that it is ready to finance the project with the participation of the BLDC. Jim Maxwell is working with the company and the bank to structure a package.

The M. Abelman proposal was selected over two other companies interested in the site. EDIC felt the proposal was the strongest because of jobs, financial strength, bank commitment, and timing.



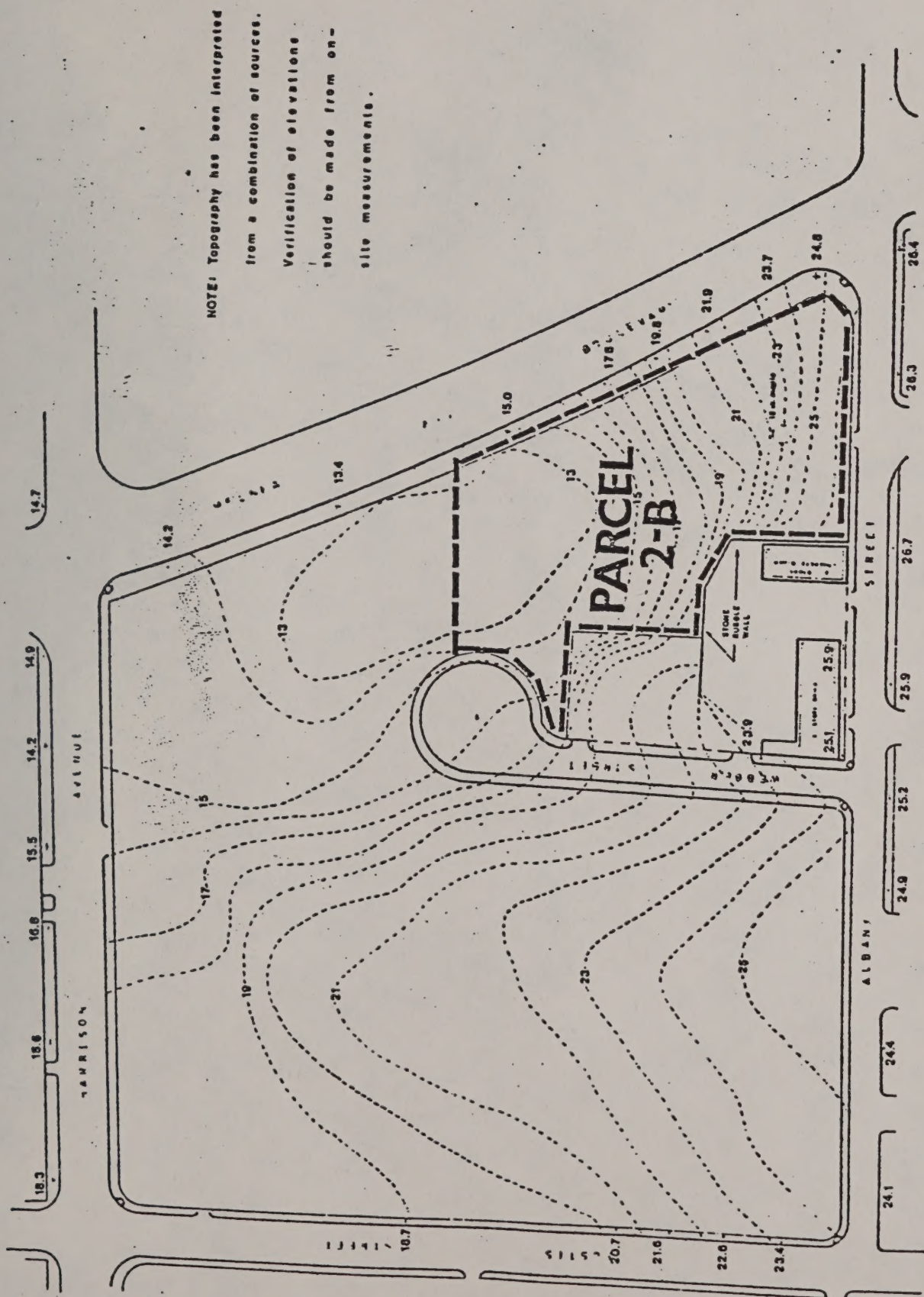
OFFICES AND WAREHOUSE FACILITY FOR THE M. ABLEMAN CO. INC,
 A PROPOSAL FOR CROSTOWN INDUSTRIAL PARK TO : ECONOMIC DEVELOPMENT AND INDUSTRIAL CORPORATION

JOSLIN, LESSER & ASSOCIATES, INC.

17 NORTH WASHINGTON STREET
 BOSTON, MA 02114 617 227-7700

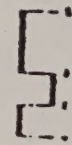
DATE MARCH 9, 1984





PARCEL 2

RAYMOND L. FLYNN, MAYOR



EDIC • Boston
 ECONOMIC DEVELOPMENT
 INDUSTRIAL CORPORATION
 100 STATE STREET, SUITE 1100
 BOSTON, MA 02109



CROSSTOWN INDUSTRIAL PARK
 100 STATE STREET, SUITE 1100
 BOSTON, MA 02109

